depreciation for coal based thermal Power projects at 5.02%, is inadequate for debt redemption. It has been decided to provide an average rate of 7.5% as the rate of depreciation applicable for all thermal projects.

(2) A number of investors have been requesting that the component of return on equity included in the tariff should be provided for in foreign exchange, to cover investment brought in foreign currency. It has been decided to permit the return on this part of the equity in foreign exchange, but restricted to 10%of the foreign equity.

(3) In order to take into account larger insurance costs it has been decided that the Operation and Maintenance expenditure shall be computed at either 2.5% of the completed project cost or 2% of the completed/contracted cost plus actual insurance charges, subject to an overall ceiling of 3% of the completed / contracted cost.

(4) The current tariff formula does not provide for any ceiling on the additional incentive rate payable for generation above the normative PLF level of 68.5%. It has been decided that the additional incentive payable shall not exceed *a* rate of 0.7% of the return on equity for each percentage increase of PLF. The Notification provides a ceiling, leaving room for negotiations between the State Electricity Boards and promoters in each case. The above incentive payments for additional generation will be without any fixed cost element; and as a result, the Cost of electricity of such power shall be substantially lower than the per unit cost of electricity at normative PLF (base cost).

Pooyankutty Hydro-Electric Project

954. SHRI M.A. BABY: Will the Minister of POWER be pleased to state:

(a) whether any request has been made to review the decision taken with regard to Pooyamkutty Hydro-Electric Project from the environmental angle: and

(b) if so, the details thereof and the final decision taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b) The Central Govt. has constituted an Experts Committee for site inspection of the project area. The Committee has submitted its report. Final decision on the Committee's report has to be taken by Ministry of Environment & Forests.

श्रीनगर जल विद्युत परियोजना के लिए विश्व बैंक ऋण

955. **श्री आनन्द प्रकाश गौतम:** क्या विद्युत मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि श्रीनगर जल विद्युत परियोजना के कार्यान्वयन हेतु विश्व बैंक से 1988 में ऋण स्वीकृत किया गया था, यदि हां, तो उसकी प्रगति का ब्यौरा क्या है;

(ख) इस परियोजना की अनुमानित लागत क्या है; और

(ग) इस परियोजना पर अब तक कितनी धनराशि खर्च हो चुकी है और विश्व बैंक से प्राप्त होने वाले ऋण की शर्तें क्या है?

विद्युत मंत्रालय में राज्य मंत्री (श्री पी० वी० रंगैया नायडू): (क) से (ग) विश्व बैंक ने श्रीनगर जल विद्युत परियोजना के लिए जुलाई, 1988 में 224 मिलियन अमरीकी डालर का एक ऋण स्वीकृत किया था। विश्व बैंक द्वारा निर्धारित शर्तों के अनुपालन में उत्तर प्रदेश सरकार की असफलता के फलस्वरूप इस ऋण को अगस्त, 1992 में रद्द कर दिया गया था। परियोजना की अद्यतन अनुमानित लागत 592.45 करोड़ रुपये है (मार्च, 1992 की कीमतों के आधार पर) और उत्तर प्रदेश सरकार द्वारा अभी तक 77 करोड़ रुपये (लगभग) खर्च दिए जा चुके है।